

## IAWC Exhibit 10.03R

	<u>CDCF</u>	<u>CAPM</u>				
		$R_f$	+	$\beta$	$\times (R_m - R_f)$	$= k$
<b>Water Sample</b>						
American States Water Co	6.02%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
American Water Works Co. Inc.	9.21%	3.50%	+	0.70	$\times (12.03\% - 3.50\%)$	$= 9.47\%$
Aqua America Inc.	8.14%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
California Water Service Group	11.30%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
Connecticut Water Service Inc.	7.26%	3.50%	+	0.60	$\times (12.03\% - 3.50\%)$	$= 8.62\%$
SJW Corp	15.82%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
Average	<u>9.63%</u>	<u>3.50%</u>	+	<u>0.75</u>	$\times (12.03\% - 3.50\%)$	<u><math>= 9.90\%</math></u>
<b>Utility Sample</b>						
American Water Works Co.	9.21%	3.50%	+	0.70	$\times (12.03\% - 3.50\%)$	$= 9.47\%$
Aqua America Inc.	8.14%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
Connecticut Water Service Inc.	7.26%	3.50%	+	0.60	$\times (12.03\% - 3.50\%)$	$= 8.62\%$
El Paso Electric Co.	9.15%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
Great Plains Energy Inc.	11.46%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
Idacorp Corp.	5.29%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
Pinnacle West Capital Corp.	5.66%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
SJW Corp.	15.82%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
Westar Energy Inc.	6.28%	3.50%	+	0.80	$\times (12.03\% - 3.50\%)$	$= 10.32\%$
Average	<u>8.70%</u>	<u>3.50%</u>	+	<u>0.77</u>	$\times (12.03\% - 3.50\%)$	<u><math>= 10.04\%</math></u>